WHITE PAPER

ON

THE BUDGET

1952–53

GOVERNMENT OF MADRAS

White Paper on the Madras Budget, 1952–53 *as presented to the Legislature.*

This Paper gives a brief review of the financial results of the last year (1950–51) and the revised estimate for the current year, 1951–52 and explains the basis on which the interim budget for the next year, 1952–53 has been framed.

Accounts, 1950–51.

Accounts, 1950–51.

2. The Revised Estimate for 1950–51 anticipated that the total Revenue in the year would amount to Rs. 59·70 crores and the Expenditure on Revenue Account to Rs. 59·07 crores, leaving a surplus of Rs. 63 lakhs. According to the final accounts of the year, the Revenue amounted to only Rs. 58·16 crores, while the expenditure increased to Rs. 59·45 crores, with the result that there was a revenue deficit of Rs. 129 lakhs in that year. The decrease of Rs. 154 lakhs in the revenue was mainly due to the fact that (*a*) against Rs. 80 lakhs taken credit for as Grow More Food grant from the Government of India in the Revenue Account, the Government of India gave a provisional credit of only Rs. 20 lakhs, pending the final settlement of the accounts; and (*b*) that a sum of Rs. 62 lakhs of the food procurement bonus given by the Government of India was adjusted in the Capital section of the accounts instead of in the Revenue Account as originally contemplated. A large decline in the receipts by way of sales of agricultural machinery also contributed to the final worsening, notwithstanding an increase under Land Revenue (by way of

larger collection of rents due to Zamindars) and General Sales Tax. Increased expenditure occurred mainly under Road Works and Police.

The capital outlay excluding State Trading Schemes amounted to Rs. 16·94 crores against the Revised Estimate of Rs. 18·45 crores, showing a decrease of Rs. 1·51 crores, which occurred chiefly in respect of Irrigation, etc., works. As regards State Trading Schemes, the revised estimate anticipated that the actual adjustments in the accounts of the year in respect of various transactions would result in a net credit of nearly Rs. 3 crores, while the actual credit was only Rs. 138 lakhs. This was due chiefly to larger adjustments made towards the purchase of rice, wheat and other grains before the close of the year than was originally anticipated.

Including the net outlay on State Trading Schemes, the total capital expenditure was practically the same as contemplated in the revised estimate (Rs. 15½ crores). Under 'Loans and Advances by the State Government,' the net disbursements (Rs. 288 lakhs) indicated an increase of Rs. 89 lakhs over the revised estimate (Rs. 199 lakhs), the increase being due mainly to larger disbursements of loans under the Agriculturists' Loans Act.

Revised Estimate, 1951–52. Revenue Account

Revised Estimate, 1951–52.

3. The revised estimate for the current year anticipates a total revenue of Rs. 63·48 crores, against the budget figure of Rs. 59·63 crores. The figures of expenditure on Revenue Account also show a rise from Rs. 60·30 crores to Rs. 63·58 crores. As a result, the revenue deficit is now expected to be about Rs. 10 lakhs only, as compared with the budgetted deficit of Rs. 67 lakhs. The variations are spread over several heads of revenue and expenditure and these are

explained in the Budget Memorandum for 1952-53. The noteworthy increases in revenue are—(*a*) Rs. 137 lakhs under Income-tax receipts, based on the latest intimation from the Government of India and (*b*) Rs. 115 lakhs in the receipts from the Madras General Sales tax. The revised estimate under Land Revenue allows for special remissions to the extent of Rs. 50 lakhs with reference to the prevailing adverse seasonal conditions. (The actual remissions may, however, prove to be larger.)

Among the factors contributing to the increase in expenditure may be mentioned—(1) a provision of Rs. 30 lakhs for transfer to a special fund, out of the estimated surplus revenue from the Zamindari areas taken over by the Government since 1949–50, (2) large expenditure on the purchase and maintenance of agricultural machinery and on the purchase of seeds under the Seed Multiplication Scheme resulting in an increase of nearly Rs. 1 crore under the head "Agriculture", (3) larger expenditure (from Rs. 50 lakhs to Rs. 85 lakhs) on Rural Water-supply Schemes and larger grants to local bodies mainly in connexion with the various works undertaken for the relief of unemployment (the total grants have risen from Rs. 100 lakhs to Rs. 142 lakhs) and (4) increased expenditure on elections held under the new Constitution. (The total expenditure on elections in this year is now expected to be about Rs. 90 lakhs, of which one half will be recovered from the Government of India. The original budget estimate assumed that the expenditure on this account would be about only one fourth of this.)

Capital expenditure, 1951–52

4. The total capital expenditure outside the Revenue Account excluding State Trading Schemes is now estimated at about Rs. 19½ crores, against the budget anticipation of Rs. 22½ crores. The revised estimate

includes Rs. 905 lakhs for Irrigation, etc., works—(Rs. 340 lakhs for Tungabhadra Project, Rs. 260 lakhs for the Lower Bhavani Project, and Rs. 305 lakhs for other works), Rs. 725 lakhs for Electricity schemes and Rs. 116 lakhs for civil works (buildings). The provision made for payment of compensation to landholders on the abolition of the Zamindari system is Rs. 168 lakhs, while the capital expenditure on Industrial development is estimated at about Rs. 44 lakhs. Having regard to the limited resources available to the Government for financing capital expenditure as a whole, the Government had to impose a drastic cut of about Rs. 2 crores in the expenditure on Electricity schemes and of about Rs. 1 crore in the expenditure on buildings. A smaller cut had to be made in regard to Irrigation schemes also. The transactions on account of State Trading Schemes in the year are now expected to result in a net credit of about Rs. 2·24 crores, due mainly to the anticipated adjustment of certain arrear credits. This estimate represents only the result of the transactions likely to be actually booked in the accounts of the year and does not represent the profit to the Government in the year under State Trading Schemes as a whole.

Loans and Advances, 1951–52

5. In respect of loans and advances by the State Government, the Budget for the current year took credit for recoveries amounting to Rs. 232 lakhs and provided for advances to the extent of Rs. 432 lakhs. According to the revised estimate, the corresponding figures are Rs. 284 lakhs and Rs. 597 lakhs. The increase in the advances is mainly due to the provision made for the liberal grant of takkavi and other loans in the areas affected by drought and for short-term loans to ryots in selected districts for the purchase of chemical manures.

Under recoveries, a smaller credit is anticipated on account of the delay in the conversion of well

subsidy loans into grants, but this is more than made up by the anticipated recoveries of loans granted for the purchase of fertilizers.

6. An open market loan for Rs. 3 crores repayable in 1962 was issued in September 1951 bearing interest at 3½ per cent per annum and at an issue price of Rs. 99–12 per cent. The Government of India have so far given a loan of Rs. 5 crores bearing interest at 3½ per cent per annum and repayable in 10 years, towards the expenditure on the Tungabhadra and Lower Bhavani Projects in the current year and the revised estimate assumes that further loans to the extent of Rs. 3½ crores will be available before the end of the year to meet capital expenditure generally, including Grow More Food irrigation schemes and special loans in distressed areas. The Government of India have also given a temporary advance of Rs. 100 lakhs repayable before the end of the year in connexion with the scheme of distribution of chemical manures. A loan of Rs. 9 lakhs has also been received, for being utilized in connection with Industrial Housing Schemes. Borrowings, 1951–52.

On the disbursements side, the revised estimate makes provision for the repayment of the temporary advance of Rs. 100 lakhs for chemical fertilizers and of the special advance of Rs. 10 lakhs received last year for the expansion of cotton cultivation, besides the usual annual repayment of about Rs. 5 lakhs towards the consolidated debt. The revised estimate also allows for the repayment made in the early part of this year of a sum of Rs. 1 lakh received from the Government of India last year for financing an advance to a Fishermen Society. No treasury bills were raised during the current year, but large ways and means advances were taken from the Reserve Bank of India. The revised estimate anticipates that all outstanding

ways and means advances will be cleared by the end of the year, by sale of securities to the extent necessary by transfer to the Government of India.

Ways and Means, 1951-52.

7. The ways and means position for the year 1951-52 is accordingly expected to be as follows :—

		RS CRORES.
A Opening cash balance allowing for the ways and means advance of Rs 1·64 crores outstanding with the Reserve Bank	—	6·43
B. Deficit in the Revenue Account . .	—	0 10
C Capital expenditure excluding State Trading Schemes	—	19 55
D State Trading Schemes—Net recoveries . .	+	2 24
E Loans and Advances by the State Government (net disbursements) .. .	—	3 13
F Proceeds of open market loan . ..	+	3·01
Less purchase and cancellation of previous loans.	—	0 10
G Loans from the Government of India for capital expenditure, special loans, etc.	+	9 59
H Repayment to the Government of India . .	—	1·16
I Deposits, etc transactions—Estimated net receipts	+	1 58
J Disposal of securities (including Rs 1¼ crores sold in the market and Rs. 5 crores transferred to the Government of India so far) . .	+	14 75
K. Closing cash balance	+	0 70

Debt position.

8. According to the revised estimate as now framed, the total outstanding balance of loans due to the Government of India on the 31st March 1952 will be Rs. 22·14 crores, and the outstanding balance of loans raised in the open market will be Rs. 22·41 crores —*See* Appendix III. The total outstanding loans will thus be about Rs. 44½ crores which is only about 70 per cent of the present annual revenue. About

one-half of this public debt will be covered by the loans repayable to the Government by local bodies, agriculturists and others (Rs. 21·73 crores).

At the beginning of this year, securities worth about Rs. 33 crores were held in the Cash Balance Investment Account and in the Revenue Reserve Fund. During the year, securities to the extent of Rs. 1·2 crores were added to these accounts by transfer from the ex-Pudukkottai State, the Hindu Religious and Endowments Board and other special accounts. The revised estimate for the current year contemplates that these securities will be reduced to about Rs. 19·4 crores on the 31st March 1952. In addition, the Government will hold separately securities belonging to the Sinking Fund, Famine Relief Fund, and the Electricity Depreciation and Special Reserve Funds, of the purchase value of over Rs. 6 crores.

Budget Estimate, 1952–53.

9. The budget for the next year has been framed on the basis of existing taxation in regard to Revenue and existing sanctions only, in regard to expenditure. The figures are— Revenue Account, 1952–53

	RS LAKHS
(A) Revenue	63,90
(B) Expenditure on Revenue Account	64 76
(C) Deficit	86

The details of the figures for the revised estimate for 1951–52 and the budget estimate for the year 1952–53 will be found in Appendix I to this Paper. As compared with the revised estimate for 1951–52, the Budget for 1952–53 anticipates that the total revenue will be higher by about Rs. 42 lakhs, while the expenditure will be greater by Rs. 118 lakhs. The variations

that occur under individual heads are explained in full in the Budget Memorandum for 1952–53. The main variations are—

Revenue.

	RS. LAKHS.
(*a*) Taxes on Income	— 32
(*b*) Forest Revenue	— 37
(*c*) General Sales Tax Receipts	— 25
(*d*) Industries (increased receipts are anticipated mainly from the Government Hydrogenation Factory)	+ 66
(*e*) Civil Works—Transfer from the Central Road Fund	+ 73
Total ..	+ 45

Expenditure on Revenue Account.

	RS LAKHS.
General Administration .. .. (Increase is mainly on account of the adjustments pertaining to the Well Subsidy Scheme)	+ 38
Industries .. .. (Mainly on account of the Hydrogenation Factory).	+ 44
Miscellaneous .. .. (Mainly on account of a contribution of Rs. 50 lakhs to the village panchayats)	+ 49
Total ..	+ 131

The budget estimate for 1952–53 provides for the transfer in that year of a sum of Rs. 20 lakhs to the Zamindari Abolition Fund from out of the surplus revenues derived from the zamindari estates taken over by the Government and also for the payment of Rs. 50 lakhs as assignment of land revenue to panchayats under the Village Panchayats Act.

10. No provision has been made for New Schemes of expenditure which will be considered by the new Government in due course. The Estimates on Revenue Account, however, include a sum of Rs. 30 lakhs as lump-sum provision for teaching, equipment, etc., grants to educational institutions and Rs. 50 lakhs for grants to local bodies for new road works. New Schemes, 1952-53.

11. The provision made for capital expenditure in the next year (excluding outlay on State Trading Schemes) is Rs. 19,87 lakhs which is about the same as the provision made in the Revised Estimate for 1951-52 (Rs. 19½ crores)—*See* Appendix II. The bulk of the capital expenditure will be on Irrigation Schemes (Rs. 8,97 lakhs) and on Electricity Schemes (Rs. 8,00 lakhs). The provision for Irrigation works includes Rs. 75 lakhs for Tank Improvement Schemes and Rs. 75 lakhs for Grow More Food Irrigation Schemes. The provision made for Capital Outlay on Civil Works —Buildings is Rs. 1,81 lakhs, while the provision for Industrial Development is Rs. 39 lakhs. Capital Expenditure, 1952-53.

A sum of Rs. 70 lakhs has also been included for payment of compensation to the Zamindars—Rs. 50 lakhs for advance compensations and Rs. 20 lakhs for interim payments. The advance compensation is in respect of estates which have not yet been notified or taken over but which may be notified and taken over next year.

The transactions pertaining to the State Trading for Grain Supply are expected to be more or less balanced, while in respect of other State Trading Schemes (mainly distribution of chemical manures), it is anticipated that there will be a net debit of about Rs. 29 lakhs in the next year.

Loans and Advances by the Madras Government, 1952–53.

12. Under Loans and Advances by the State Government, it is expected that the next disbursements will be slightly less than Rs. 1 crore, after providing Rs. 50 lakhs for the grant of loans to local bodies, etc., for new works, as against the net disbursement of over Rs. 3 crores in 1951–52. The decrease is mainly due to the assumption that if the seasons during next year prove favourable, there may not be a need for special disbursements of takkavi loans as in the current year. It is also assumed that the Well Subsidy loans will not be continued during the year 1952–53.

Borrowings, 1952–53.

13. The budget assumes that the Government of India will give a loan of Rs. 7½ crores towards capital expenditure. Following the usual procedure, no credit has been taken in the budget for the proceeds of any open market loan that may be raised by this Government during the next year, as the issue of such a loan depends upon many factors, which cannot be foreseen now. The outstanding balance of about Rs. 2 crores of the open market loan raised by this Government in 1937 and 1940 (3 per cent Loan, 1952) is due for repayment in September next. The budget makes provision for this.

Opening and Closing Balance, 1952–53.

14. As indicated above, the year 1952–53 is expected to start with a Cash Balance of Rs. 70 lakhs and Securities worth Rs. 19·4 crores in the Cash Balance Investment and Revenue Reserve Fund Accounts. According to the estimates as now framed, the year will close with a Cash Balance of Rs. 51 lakhs and Securities worth about Rs. 3·4 crores only in the Cash Balance and Revenue Reserve Fund Accounts. This will be increased to the extent of the amount of any open market loan that may be raised or further loans that may be given by the Government of India. In addition, the Government will hold in the ear-marked funds (Sinking Fund, Famine Relief Fund and

Electricity Reserve Funds) securities of the purchase value of about Rs. 7 crores. Full information relating to these and other Funds will be found in Appendices II to VI of the Budget Memorandum.

15. Appendix I to the Budget Memorandum gives the details of the liabilities of the Government and assets of certain kinds. The liabilities as on 31st March 1952 are estimated at about Rs. 101 crores and the assets at about Rs. 141 crores. The excess of the assets over the liabilities is thus Rs. 40 crores. According to the Budget Estimate for 1952–53, the excess of the assets over the liabilities will increase to about Rs. 49 crores on 31st March 1953. Assets and Liabilities.

16. Appendix IV to this Paper contains a statement comparing the provision included in the Five-Year Plan under the various developmental heads with the provision actually included in the revised estimate for the current year and the budget for the next year. It will be seen that against an allotment of Rs. 33 crores in the Plan for the year 1951–52, the actual expenditure is expected to be only Rs. 29 crores. Similarly for the next year, the provision included in the budget is about Rs. 28 crores as against the allotment of Rs. 35½ crores in the Plan. Five-Year Plan.

The question of the further provision to be made for the schemes included in the Five-Year Plan in the budget for next year together with the problem of finding the requisite additional resources will be considered by the new Government.

FORT ST. GEORGE, T. A. VARGHESE,
15th March 1952. *Financial Secretary.*

APPENDIX I.

Revenue and Expenditure on Revenue Account of the Madras State from 1920–21 to 1952–53.

(*See* paragraph 9)

A. REVENUE.

Major heads of revenue.	1920–21.	1930–31.	1940–41.	1945–46.	1946–47.	1947–48.	1948–49	1949–50.	1950–51.	1951–52 (Revised Estimate).	1952–53 (Budget Estimate).
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RS LAKHS.	RS. LAKHS.	RS. LAKHS.	RS LAKHS.	RS LAKHS.	RS. LAKHS.	RS. LAKHS.	RS. LAKHS	RS LAKHS.	RS. LAKHS	RS LAKHS.
Taxes on income other than Corporation tax	59 85	6 75	62 40	4,31 25	4,48 05	5,35 32	8,42 22	8,23 32	8,29 15	9,15 43	8,83 40
Land Revenue—											
Gross receipts including portion due to irrigation	6,88 54	7,18 11	7,35 24	7,97·33	8,53 19	8,08 42	7,68 79	8,12 09	9,50 71	10,41 80	10,43·55
Excise .	5,39 07	5,24 28	3,39·65	16,79 50	14,67 99	10,69 18	3,66 54	58 82	55·28	39 15	33·54
Stamps .	1,78 10	2,34 71	1,80 14	3,74 20	4,37 74	3,35 92	4,05 57	4,32 68	4,88 49	5,28 49	5,19·62
Forest	52 69	52 69	48 48	1,43 24	1,61,39	1,82 81	1,59 57	1,65 70	1,88 56	2,23 44	1,86·04
Registration . .	30 61	31 30	37 14	69 83	75 96	78 90	86 55	95 47	1,07 97	1,18 49	1,20·00
Receipts under Motor Vehicles Acts.		. .	79 87	97 96	1,31 11	1,66 64	1,97·45	3,00 73	3,48 74	3,85 38	3,85 66
Other taxes and duties—											
General sales tax ..	.	..	69 54	5,82 70	6,95·90	8,31 26	13,03 01	15,24 35	15,86 87	16,25 00	16,00 00
Other items	.		60 48	1,45·33	1,49 38	1,98 52	2,29 32	2,85 54	3,08 61	3,53 36	3,50 82
Total ..	.		1,30 02	7,28 03	8,45 28	10,29 78	15,32 33	18,09 89	18,95 48	19,78 36	19,50·82

Irrigation—											
Direct receipts	4·76	6·19	6 87	11·73	12 82	11 88	12 06	13 78	14 29	14·29	13·30
Deduct—Working expenses	— 27 07	— 52 48	— 40 62	— 70·00	— 79·38	— 91 08	—1,03 44	— 1,17·86	—1,14·94	—1,30 32	—1,11·62
Net receipts ..	— 22 31	— 46 29	— 33·75	— 58 27	— 66·56	— 79 20	— 91 38	—1,04·08	—1,00 65	—1,16 03	— 98 32
Irrigation—											
Direct receipts	1 57	2·82	2 00	2·80	3 02	2·80	3·09	4 23	4 54	2·89	4 37
Interest ..	5 56	42 52	24·40	95·00	1,24 43	79 95	93 72	91 73	77·07	72·48	58 96
Administration of Justice .	9 78	15 46	20 33	53 75	48 92	72 51	73 12	80 99	84 55	88·52	88 76
Jails and Convict Settlements.	8 03	9 27	7 23	15·76	13 93	13 21	15 99	22 05	20 98	25·48	23·43
Police ..	6 89	5 62	6 79	18·93	15 76	13·79	19 51	27·28	26 86	27 16	19 06
Ports and Pilotage			..	..	.	— 47 08		..	.	..	..
Education .	10·55	7 95	10 00	15·41	27 58	32·63	30 29	42 54	31 90	46·53	37·77
Medical	6 14	8 88	10·27	18·15	17·81	20 35	23 33	23 08	27 07	25 52	25 60
Public Health . ..	2 23	1 62	2 61	6 63	5 95	5·49	7 79	6 34	7·55	9·09	8·02
Agriculture .	3 66	2 97	3·73	20 73	30 05	22 64	23 86	35 30	1,18·24	1,11 22	1,39·47
Veterinary (*a*)	.		1 17	3 34	3 62	2 73	3 50	5 30	5 93	7 94	7 92
Co-operation (*a*)		.	4 22	7 60	7 68	8 89	12 28	18 82	26 45	27·52	23·91
Industries .. .	19·42	7 92	26 12	59 17	60 96	72 49	75 81	77 82	1,20 39	1,35·69	2,02·14
Miscellaneous departments	2·93	12 49	8 14	11 02	15 09	17 14	20·68	25 64	42 61	36 53	37·06
Civil Works .	10 08	24 89	27 54	48 46	66 31	1,11 25	86 34	1,15 54	1,06 47	1,24 39	1,97 09
Receipts from Electricity Schemes (Gross).		.	66 41	1,17 73	1,25 14	1,83 89	2,71 22	3,21 41	3,77 61	4,61 46	5,09 12
Deduct—Working Expenses.	..	.	—28·44	—63 88	—72·24	—1,21 93	—1,86 10	—2,20 19	—2,33 13	—2,71·05	—3,19·66

A REVENUE—*cont.*

Major heads of revenue.	1920–21	1930–31	1940–41	1945–46	1946–47.	1947–48.	1948–49	1949–50.	1950–51.	1951–52 (Revised Estimate)	1952–53 (Budget Estimate).
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RS. LAKHS.	RS LAKHS	RS. LAKHS	RS LAKHS.	RS LAKHS	RS. LAKHS.	RS LAKHS.	RS. LAKHS.	RS LAKHS	RS. LAKHS	RS LAKHS.
Net receipts			37 97	53·85	52 90	61 96	85·12	1,01 22	1,44·48	1,90·41	1,89 46
Receipts in aid of superannuation.	1 70	3 62	2 49	6 03	6 46	7 39	4 80	5 07	5·96	5 06	4 79
Stationery and Printing ..	1 48	3 13	6 10	12 92	13 04	13 75	13 44	33 67	16 90	17 10	16 32
Miscellaneous—											
Gross Receipts from Bus Service (b).		..				23 35	95 88		..	..	..
Other items . .	3 14	13 22	26 95	41·34	87 53	93 54	92 40	1,39 22	1,65 52	90 93	1,06 87
Total ..	3 14	13 22	26 95	41 34	87 53	1,16 89	1,88 28	1,39 22	1,65 52	90 93	1,06 87
Receipts from Road Transport Schemes—Gross Receipts (b)	..	..	.	..	.	.	.	1,04 06	1,16 68	1,21 39	1,33·08
Working expenses (c) ..		.	..	..		.	.	—91 87	—1,00 84	—1,05 26	—1,13 63
Net receipts ..		.	.	..	..	.	.	12 19	15 84	16 13	19·45
Miscellaneous adjustments between Union and States Governments	.	.	0·26	0·13	0 14	0 10	0 21	0 22	0 20	0 20	0 20

Extraordinary Receipts	.	.	.	0 18	2,36 47	2,98 05	2,79 25	3,26 22	2 69	1,68 26	1,52·72
Transfer from Revenue Reserve Fund.	.		.	..	5,06 00	.	5 00		.	..	..
Civil Defence	.	.		44 62	7 22	15 45	0 47	0 40	0 41	4 46	2 53
Grand total	1,619 71	1,683 93	1,807·51	4,798·89	5,705 02	5,070 15	53,33 52	55,89 49	58,16 34	63,48 02	63,90·21

(a) Included under "Agriculture" prior to 1935–36

(b) The receipts are shown under "Receipts from Road Transport Schemes" from 1949–50

(c) Prior to 1949–50, the receipts were included under the revenue head "Miscellaneous" and the Working Expenses were shown under the expenditure head "Miscellaneous"

B. EXPENDITURE ON REVENUE ACCOUNT.

Major heads of expenditure.	1920–21.	1930–31.	1940–41.	1945–46.	1946–47.	1947–48.	1948–49	1949–50	1950–51.	1951–52 (Revised Estimate).	1952–53 (Budget Estimate).
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RS LAKHS.	RS. LAKHS.	RS LAKHS	RS LAKHS.	RS. LAKHS.	RS. LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.
Taxes on income ..	1 74	..		..	.	.	.		.	..	..
Land Revenue	1,85 22	·29 04	22 85	26 01	27 12	28 98	37 44	40 42	46 10	91 92	86 74
Excise	26 63	46 69	28 13	51 59	53 09	59 44	69 04	77·24	79·79	77 04	77 91
Stamps	4 80	5 98	5 41	13 74	18 23	21 04	21 16	23 05	25 25	25 23	25 22
Forest	45 30	46 85	37 52	77 00	80 15	86 29	79 10	79·26	74 81	80 51	83·24
Registration . .	20 97	29 60	28 70	38 56	43 75	48 62	51 86	50 83	52 19	53 65	54 70
Charges on account of Motor Vehicles Acts—											
Payment to local bodies } Other departmental expenditure. }			71 52	68 19	80 67	96 47	1,01 67				
Payment to local bodies								90 27	90 34	90 32	90·32
Other departmental expenditure.								6 59	8 50	9 62	9·48

B. EXPENDITURE ON REVENUE ACCOUNT—*cont*

Major heads of expenditure.	1920-21	1930-31.	1940-41	1945-46	1946-47.	1947-48	1948-49.	1949-50.	1950-51.	1951-52 (Revised Estimate).	1952-53 (Budget Estimate).
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RS LAKHS.	RS. LAKHS	RS LAKHS.	RS. LAKHS	RS. LAKHS.	RS. LAKHS.	RS LAKHS.	RS LAKHS	RS LAKHS	RS. LAKHS	RS. LAKHS.
Other taxes and duties—											
Payments to local bodies. Other departmental expenditure.			13 55	48·41	68 72	87·03	1,19·47	97·72 43·03	1,01·94 45·45	1,18·22 45 06	1,10 09 45·43
Irrigation—Interest on works for which capital accounts are kept	.	..	88 10	89·45	91·23	95·71	1,04 15	1,19 15	1,42·21	1,77 09	2,16·05
Irrigation—Other revenue expenditure financed from ordinary revenues	36 97	53·80	36·96	77 54	93·94	1,28 06	1,43 57	1,49 42	1,43·25	1,40·52	1,28·84
Construction of irrigation, etc, works.	1 39	7 61	0 62	6 11	0·63	2 60	4·07	5·80	3·29	·17	·14
Interest on debt and other obligations.	35 69	61·26	68·87	65·40	78 52	81 96	1,00·04	1,09·39	1,23·66	1,54·06	1,77·37
Deduct—Interest transferred to Commercial Departments.	..	.	—1,14·12	—1,26·45	—1,31·53	—1,47·82	—1,73·58	—2,13·18	—2,65·54	—3,43 57	—4,34 25
Net amount met out of ordinary revenues.	35 69	61 26	—45·25	—61·05	—53·01	—65·86	—73·54	—1,03·79	—1,41·88	—1,89 51	—2,56 88
Appropriation for reduction or avoidance of debt.	..	29 22	20 56	55·90	57·00	1,42·78	69·68	75·47	75 68	1,02 31	1,00·97
General administration ..	24·21	2,83·94	2,69·29	4,27 24	6,13·86	5,60·40	5,82·05	6,26·32	6,54·90	6,66·43	7,04·12
Administration of Justice .	1,18 65	1,01·25	87·48	1,28 80	1,42·42	1,45 64	1,50 03	1,58 34	1,65·56	1,71·05	1,71·50
Jails and convicts settements	28 01	30·37	28·75	61·50	65·78	79·63	1,10 22	1,18·52	1,20 37	1,25 38	1,21 54
Police	1,76·97	1,82 35	1,69·53	2,98·03	4,05·71	4,64·81	6,51·97	6,89·89	6,98·89	6,83·43	6,67·27
Ports and Pilotage . ..	0·52	0·29	..	5·00	4·56	..	0·01	..	..	..	..
Scientific Departments .	0·93	2 78	0·95	1·53	1·21	1·37	1 52	1·58	1·64	2·23	1 90
Education	1,33·00	3,00·18	2,79·03	4,59·72	5,90·27	7,03·70	8,85·94	9,58·41	10,42·65	10,94·39	11,24·16
Medical	44,10	97 70	1,01·65	1,80·00	2,15·93	2,38·50	2,76·54	2,96·18	3,14·87	3,30·08	3,27·25

Public Health	23 78	35 06	35 63	54 48	87·32	(a)1,90 55	90·54	(b) 1,14 42	1,04·06	1,61·58	1,43 19
Agriculture .	21 92	45·19	20·57	74 06	1,05 74	1,16·93	1,26 74	1,82 74	2,75 35	3,82 03	3,83·97
Veterinary (c)	..	.	12 03	23·64	26 95	31 81	40 58	49 67	56 69	66·32	60·60
Co-operation (c)	..		14 49	30 93	44 33	42·69	53 41	73 64	76 48	76·68	75 86
Industries	14 47	23 13	39 33	72 49	96 60	1,12 71	1,20 30	1,20 00	1,57 46	2,23 19	2,67 08
Capital outlay on Industrial development.				22·10	..	02	0·06	0 32	·25	1·19	25
Aviation .		.	0 10	.	.	.	..	0 59	·75	·55	·65
Miscellaneous departments (d)	6 29	29 84	21·91	71·93	87 50	1,19 82	1,15 55	1,31 99	1,49·34	1,65 43	1,71 17
Civil Works . . .	1,10·90	2,36·35	1,15 93	2,81·65	3,97 72	4,66 69	5,88·84	7,30·05	8,27 83	8,01·20	8,31·36
Interest on capital outlay on Electricity Schemes.			25·42	35 96	39 45	49 92	66·92	87 41	1,14 36	1,57·28	2,07 10
Other revenue expenditure connected with Electricity Schemes			0·54	1·13	2·32	2·92	0·11	—0·34	8·47	— 24	—2 47
Capital outlay on Electricity Schemes.		..	13 50	..		..		..	.	..	..
Famine	0 45	3·00	0 28	6 32	20 38	3 80	4 75	25·03	8·00	11·58	7·41
Territorial and Political Pensions			.	.		.	.		1·94	7·31	7 03
Superannuation allowances and pensions	38 01	69 30	1,10 10	1,38·19	1,43 30	1,57·53	1,56·36	1,65.44	1,85 24	1,98·45	1,92·31
Commutation of pensions		9 56	1·40	3 59	2 68	1 83	4 37	8 13	9·59	10 18	9·40
Stationery and Printing ..	24 24	24 94	29 99	43 07	51 66	49 42	71·98	94·51	87·10	81·31	71·06

(a) Includes Rs 1,00 lakhs representing contribution to the Rural Water-Supply Fund.
(b) Includes Rs 10 lakhs representing contribution to the Rural Water-Supply Fund.
(c) Included under "Agriculture" prior to 1935–36
(d) Includes expenditure on Harijan Uplift Labour and other items The details of expenditure under Harijan Uplift are shown below :—

	Accounts, 1945–46	Accounts, 1946–47	Accounts, 1947–48	Accounts, 1948–49	Accounts, 1949–50.	Accounts, 1950–51	Revised Estimate, 1951–52	Budget Estimate, 1952–53.
	RS LAKHS.	RS. LAKHS	RS. LAKHS	RS LAKHS.	RS. LAKHS	RS LAKHS.	RS LAKHS	RS. LAKHS.
Gross expenditure on Harijan Welfare	28 84	35 29	41 38	63 75	82 44	1,00 46	1,13 11	1,09 73
Amount met from the Fund for Village Reconstruction and Harijan Uplift			— 1 81	— 4 10	— 18 44	— 36 46	— 49 11	— 45 73
Net amount	28 84	35 29	39 57	59 65	64 00	64 00	64 00	64 00

B EXPENDITURE ON REVENUE ACCOUNT—*cont.*

Major heads of expenditure.	1920–21.	1930–31	1940–41.	1945–46.	1946–47.	1947–48.	1948–49.	1949–50.	1950–51.	1951–52 (Revised Estimate)	1952–53 (Budget Estimate).
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	RS. LAKHS.	RS LAKHS.	RS. LAKHS.	RS. LAKHS	RS. LAKHS.	RS. LAKHS.	RS. LAKHS	RS LAKHS.	RS LAKHS	RS LAKHS	RS. LAKHS.
Miscellaneous—											
Expenditure on Bus service.	..	.	.	..	..	12 44	90·31	*	*	*	*
Other items . ..	6·44	4·40	8 91	1,52·66	(a) 5,21·98	1,06·86	1,33 24	43 58	29 76	23·72	72 35
Extraordinary charges—											
Net outlay on State Trading Schemes transferred to the Revenue Account.	.	..	.	—1,60 35	12,20 77	—16 04	2,03 63	(b)	(b)	(b)	(b)
Other items	.	..	0 01	—0 02	2,15 90	1,84 53	78 61	1,13 41	1,06 29	94 58	87 96
Total .		.	0 01	—1,60 37	14,36 67	1,68 49	2,82 24	1,13 41	1,06 29	94 58	87 96
Transfer to Revenue Reserve Fund	..	.	58 50	17,31 00	.	4,90 00					
Civil Defence .	.		0 76	1,62 64	38 79	20 29	1 17	0 72	0 45	0 16	..
Grand total	14,79 60†	17,89 68	17,54 75	47,98 74	57,04 65	50,69 93	53,33 42	55,54 01	59,45 21	63,57 64	64,76 18
Final Revenue Surplus (+) or Deficit (—).	+1,40 11	—1 05 75	+52 76	+0 15	+0 37	+0 22	+0 10	+35 48	—1,28 87	—9 62	—85 97

(a) Includes Rs 400 lakhs representing contribution to the Village Reconstruction and Harijan Uplift Fund.

(b) Shown under Capital Account. The figures are : — 4,49·11 — 1,38·13 — 2,24 27 + 28·81

* Working Expenses of the Madras City Bus Service are taken in deduction of the *receipts from 1949–50*

† Includes a sum of Rs 3,48 00 lakhs payable to the Central Government under Devolution Rule 18.

APPENDIX II.

Details of Capital Expenditure.

(*See* paragraph 11)

Description of schemes.	Approximate estimated cost	1946-47	1947-48.	1948-49	1949-50	1950-51.	Revised Estimate, 1951-52.	Total 1946-47 to 1951-52	Budget Estimate, 1952-53
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	RS LAKHS	RS LAKHS	RS LAKHS	RS LAKHS	RS LAKHS.	RS LAKHS.	RS LAKHS	RS. LAKHS.	RS LAKHS.
A. IRRIGATION, NAVIGATION, Etc., SCHEMES.									
Tungabhadra Project (Irrigation Side)	17,00 00	52 40	1,07 92	1,83 27	2,42,01	2,28 51	3,40 00	11,54 11	2,90 00
Lower Bhavani Project	8,03 00		1 85	29 38	1,62 05	2,55 99	2,60 00	7,09 27	1,94 00
Mettur Canals Scheme	2,36 00	.		.	5 07	13 39	27 46	45 92	35 13
Malampuzha Project	3,81 00				18 40	60 93	84 80	1,64 13	1,00 33
Rallapad Project	48 00	.	01	67	4 60	2 74	4 78	12 80	13 49
Manimuthar Project	3,69 00					6 09	13 50	19 59	50 20
Godavari Delta System	(a)	9 57	20 79	(b)	94	3 40	4 55	39 25	12 71
Krishna Delta System	(a)	1 29	14 94	(b)	22 49 }	22 69 (Krishna Delta System and Romperu Drainage Scheme)	{ 8 10	86 08 (Krishna Delta System and Romperu Drainage Scheme)	{ 11 32
Romperu Drainage Scheme	1,01 00	2 60		2 17	1 26 }		10 54 }		24 99 }
Tank Improvement Schemes		.		.	.	1,05 53	97 00	2,02 53	75 00
Lump-sum provision for Irrigation Schemes having G M F value						.	.	.	75 00
Other Irrigation Schemes (Productive and Unproductive)	(a)	— 5 32	7 70	29 62	19 91	62 72	50 14	1,64 77	88 13
Pro-rata charges on Establishment and Tools and Plant.	..	1 04	3 67	3 55	1 75	7 07	4 75	21 83	6·29
Lump-sum deduction for probable savings	.		.	.		— 1,06·57 (c)	.	— 1,06 57 (c)	— 80 00
Total		61 58	1,56 88	2,48 66	4,78 48	6,62 49	9,05 62	25,13 71	8,96 59

(a) Consists of several works some of which have been completed while others are in progress Hence no estimated cost is given.
(b) Included under "Other Irrigation Schemes"
(c) Represents transfer from the Deposit Account of Procurement Bonus given by the Government of India towards expenditure on approved G.M F. Schemes.

Description of schemes. (1)	Approximate estimated cost. (2) RS.	1946-47. (3) RS. LAKHS.	1947-48. (4) RS. LAKHS.	1948-49 (5) RS. LAKHS.	1949-50. (6) RS. LAKHS	1950-51. (7) RS. LAKHS.	Revised Estimate, 1951-52 (8) RS LAKHS	Total 1946-47 to 1951-52. (9) RS. LAKHS.	Budget Estimate 1952-53. (10) RS. LAKHS.
B CAPITAL OUTLAY ON ELECTRICITY SCHEMES									
Machkund Hydro-Electric Scheme	12,87 40	3 32	10 09	29 18	89 38	72 79	2,28 26	4,33 02	2,61 54
Moyar Hydro-Electric Scheme	4,63 90	23 68	35 67	69 96	64 68	74 72	66 85	3,35 56	11 66
Pykara Hydro-Electric Scheme		21 45	71·56	40 18	82 01	1,18 98	86 66	4,20 84	1,77·67
Mettur Hydro-Electric Scheme		20 27	60 44	68 21	65 49	1,01 82	82 08	3,98 31	96 15
Papanasam Hydro-Electric Scheme		17 54	— 65	90 83	66 09	58 97	58 89	2,91 67	97 90
Madras Thermal Electric System	6,21 00	..	1,65 67	49 16	84 40	1,76 78	1,04 00	5,80 01	1,41·76
Ceded Districts Scheme	75 78	55	10 26	13 83	22 97	17 26	6 60	71·47	9 66
Visakhapatnam Thermal Scheme ..	.	2 46	5 54	4 04	17·09	10 38	8 79	48·30	10 89
Vijayavada Thermal Scheme		2 12	15 77	8 76	16 46	4 62	5 13	52 86	16 29
Kakinada Thermal Scheme		18	13	3 01	4·57	3·51	1 38	12 78	2 08
Vijayavada - Rajahmundry - Samalkot Extensions	1,57 74	6 88	22 76	41 49	35 46	46 40	13·86	1,66 85	14·92
Nellore Thermal Scheme ..	1,01 00	..	27 13	·90	6·92	18 02	6 46	59 43	15 90
Kurnool Thermal Scheme		1·12	08	·47	1 66	0 59	0·43	4·35	1·77
Tungabhadra Hydro-Electric Scheme	7,94·00	..	..	..	..	0·93	2·32	3·25	35·30
Lump-sum provision for payment of compensation for acquisition of electrical undertakings of local authorities and private companies.	3,89 00	..	.	.	..		20 00	20 00	64·43
Other Minor Schemes ..	.	1 28	·31	4 53	6·67	31 68	33·29	77 76	41·47
Lump-sum deduction for probable savings.	.	.	..						— 1,99 39
Total ..	..	1,00·85	4,24 76	4,24 55	5,63 85	7,37·45	7,25 00	29,76·46	8,00·00

Description of shemes. (1)	1946-47. (2)	1947-48 (3)	1948-49. (4)	1949-50. (5)	1950-51. (6)	1951-52 (Revised Estimate). (7)	Total (1946-47 to 1951-52). (8)	1952-53 (Budget Estimate). (9)
	RS LAKHS.	RS LAKHS.	RS. LAKHS.	RS. LAKHS.	RS LAKHS.	RS LAKHS.	RS LAKHS.	RS. LAKHS.
Cinchona Plantations	13 71	13 04	17 23	21 52	12 44	9 82	87 76	6 97
C. INDUSTRIAL DEVELOPMENT SCHEMES.								
Kerala Soap Institute	..	..	..	..	..	0·11	0·11	0·40
Madras Industrial Engineering Workshop	..	.	.	0 2	..	..	0 02	.
Fish Liver Oil Industry	.	.	..	05	0 05	0 40	0 50	2 00
Madras Vegetable Ghee Factory	27	67	2·01	4 25	3 16	1 75	12 11	1 70
Government Silk Filatures	.	.	.	1 36	0 14	2 39	3 89	..
Polytechnics (buildings and tools and plant)	..	.	.	9 58	2 47	22 53	34 58	21·25
Artesian Wells	..	.	.	.	9 80	6 00	15 80	0 15
Shares in Fertilisers and Chemicals, Limited, Travancore	.		20 00	.	1·00	..	21 00	..
Shares in Madras Industrial Investment Corporation, Madras	.	..	51 00		51 00	..	102 00	..
Other Shares	..		..	..	2 40	..	2 40	.
Ceramic Industry	..		02	16	.	0 82	1 00	6 50
Andhra Paper Mills	.		25 35	..	0 43	0 48	26 26	..
Total ..	13 98	13 71	1,15 61	36 94	82 89	44 30	3,07 43	38 97
D. CAPITAL OUTLAY ON ROAD TRANSPORT SCHEMES.								
Madras City Bus Service	2 76	30 68	26 65	12 95	8 83	— 4 68	77 19	..
E. CAPITAL OUTLAY ON CIVIL WORKS								
Original Works—Buildings	10 72	9 89	33 36	61 09	84·51	116 07	3,15 64	1,80 94
F. COMPENSATION TO ZAMINDARS.								
Advance compensation and interim payments	..	..	..	1,32 16	1,17·87	1,68·50	4,18·53	70·00

APPENDIX III.

STATEMENT OF THE DEBT POSITION OF THE MADRAS GOVERNMENT.

(*See* paragraph 8.)

When issued.	Description of loan.	Total amount issued.	Amount that will be outstanding on 31st March 1952.	Remarks.
(1)	(2)	(3)	(4)	(5)
		RS. LAKHS.	RS. LAKHS.	
I. OPEN MARKET LOANS.				
September 1937 and September 1940.	3% Loan, 1952, I and II issues.	2,33 54	2,18 95	
September 1938.	3% Loan, 1953	1,51 29	1,42 08	
June 1939 ..	3% Loan, 1959.	1,50 00	1,23 96	
September 1942	3% Loan, 1955.	1,25 00	1,23 25	
September 1943	3% Loan, 1956.	1,25 10	1,25 10	
August 1944	3% Loan, 1958.	1,10 00	1,07·95	
September 1945.	3% Loan, 1960.	3,00·00	2,78 44	
September 1946.	2¾% Loan, 1961.	4,09 30	3,81 77	
July 1950 .	3% Development Bonds, 1960	4,39·75	4,38 26	
September 1951.	3½% Loan, 1962.	3,01·49	3,01·49	
	Total, I	23,45·47	22,41 25	
II. LOANS FROM THE CENTRAL GOVERNMENT.				
(1) Pre-autonomy consolidated debt (1st April 1937).		7,56 71	3,19 77	The Madras Government's debt to the Government of India after certain adjustments amounted to Rs. 7,56·71 lakhs on 1st April 1937 This debt was consolidated into a 4½ per cent loan and it is repayable by 1981–82 by half-yearly equated instalments.
(2) Post-autonomy debt—				
1947–48	..		6,00·00	These are loans given by the Government of India for capital expenditure on Irrigation and Electricity Schemes when the Madras Government did not raise any market loan. Interest is payable at 2·7/8 per cent half-yearly. The principal is repayable after 15 years in each case
1948–49 ..	..		3,00 00	
1950–51—Fisheries Programme—For giving a loan to the South Madras Fishermen Co-operative Society	..	1·33		As there was no likelihood of the loan being utilized for the purpose, it was repaid to the Government of India in full with interest at 3¼ per cent per annum in October 1951.

When issued.	Description of loan.	Total amount issued	Amount that will be outstanding on 31st March 1952.	Remarks.
(1)	(2)	(3)	(4)	(5)
		RS. LAKHS.	RS. LAKHS	
II. LOANS FROM THE CENTRAL GOVERNMENT—*cont.*				
(2) Post-autonomy debt—*cont.*				
1950-51—*cont*				
	Tractor Reclamation	..	30 00	Loans given by the Government of India in connexion with the Intensive Cultivation Schemes Interest at 3¼ per cent per annum is payable half-yearly Principal is repayable after 15 years
	Oil Engines, Electric Motors, etc , Hire purchase		20 00	
	Oil Engines, Electric Motors, etc , Hire purchase		40 00	Loans given in connection with the Intensive cultivation schemes Interest at 3⅜ per cent per annum is payable half-yearly Principal is repayable after 15 years.
	P W.D Irrigation and Tank Improvement Schemes		45 00	
	Purchase of cotton seeds from Madhya Pradhesh for expansion of cotton cultivation.	10 00		The loan is free of interest and the principal is repayable before 31st March 1952.
1951-52—				
	Purchase and distribution of manure to the ryots	100 00		This is a short-term loan repayable before 31st March 1952
	To finance capital expenditure, special loans, etc.		850 00	The Government of India have so far sanctioned a loan of Rs. 5 crores for financing capital outlay on the Tungabhadra and Lower Bhavani Projects This loan is repayable by annual equated instalments commencing from 1955 and ending in 1961. For the first three years, i e , 1952-53, 1953-54 and 1954-55, interest alone at 3½ per cent per annum is to be paid It is expected that a further loan of Rs 350 lakhs will be sanctioned before the end of March 1952 to finance capital expenditure including Grow More Food Irrigation works and special loans in distressed areas.
	Industrial Housing Schemes		9 00	This loan is interest-free and the principal is repayable after 25 years.
	Total, II		2,213 77	
	Total, I and II		4,455 02	

III. SPECIAL IRREDEEMABLE LOANS.

	Amount.
	RS.
(1) Four Bonds bearing interest at 8 per cent per annum issued between the years 1796 and 1807.	1,33,000
(2) Two Bonds bearing interest at 6 per cent per annum issued in the years 1795 and 1817.	10,500
(3) A deposit bearing interest at 6 per cent per annum received in 1817.	41,770
(4) A deposit bearing interest at 4 per cent per annum (now treated as an Endowment for the Stanley Hospital, Madras).	66,878
Total, III .	2,52,148
	or
	2 52 lakhs.
	RS LAKHS.
Grand total of loans that will be outstanding on the 31st March 1952 (I + II + III).	44,57·54

APPENDIX IV.

STATEMENT COMPARING THE PROVISION MADE IN THE REVISED ESTIMATE, 1951–52, AND BUDGET ESTIMATE, 1952–53, FOR THE SCHEMES INCLUDED IN THE FIVE-YEAR PLAN WITH THE ALLOTMENTS ORIGINALLY MADE IN THAT PLAN FOR THESE TWO YEARS.

(*See* paragraph 16.)

	1951–52.		1952–53.	
	Plan.	Revised Estimate.	Plan.	Budget Estimate.
	RS. LAKHS.	RS. LAKHS.	RS. LAKHS.	RS LKAHS.
I. Agricultural and Rural Development—				
1 Agriculture	478	536	352	394
2 Veterinary and Animal Husbandry.	20	20	20	17
3 Dairying and Milk supply.	15	15	15	15
4 Forest	11	10	7	10
5 Co-operation	24	10	28	13
6 Fisheries	12	16	19	11
7 Rural Development ..	29	24	31	32
Total, I ..	589	631	472	492
II. Major Irrigation and Power Projects.	1,804	1,471	2,268	1,544
III. Industry—				
1 Cottage Industries ..	37	22	21	28
2 Other Industries ..	59	46	27	46
Total, III ..	96	68	48	74
IV. Transport (Roads)	204	202	152	171
V. Social Services—				
1 Education . ..	142	117	158	116
2 Medical . . .	102	47	81	73
3 Public Health	168	145	173	106
4 Housing	120	91	120	91
5 Labour and Labour welfare.	..	..	..	..
6 Amelioration of backward classes.	93	124	93	118
Total, V .	625	524	625	504
Grand total ..	3,318	2,896	3,565	2,785

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